

General Assembly

Raised Bill No. 6862

January Session, 2023

LCO No. 5279



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by: (LAB)

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AN ACT CONCERNING BROADBAND CONSTRUCTION AND THE PREVAILING WAGE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 16-330c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):
 - (a) On or before January 1, 2022, the Commissioner of Energy and Environmental Protection shall establish and administer a grant program, subject to the availability of <u>state and</u> federal funding, to support the deployment of broadband Internet access service. The
- 7 commissioner shall establish criteria consistent with any requirement of
- 8 federal law for the grants, including, but not limited to, (1) application
- 9 requirements, (2) applicant eligibility, (3) addressing unserved areas in
- 10 distressed municipalities, (4) broadband Internet access service speed,
- and (5) an applicant's commitment to pay at least twenty per cent of the
- 12 costs for any project entered into pursuant to this section with such
- 13 applicant's own funding, provided such funding does not derive from
- 14 government grants, loans or subsidies to said applicant.
- 15 (b) In awarding such grants, the commissioner [may] shall give

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16 priority to applicants (1) based on the percentage of said applicant's 17 commitment to cost sharing, (2) that are able to demonstrate that (A) 18 said applicant provides robust training programs to its workforce who will be performing the contract that contains requirements that are tied 19 20 to titles, uniform wage scales and skill codes recognized in the industry, 21 and (B) said applicant requires occupational health and safety training 22 for its workforce performing the contract, (3) who will perform the contract funded by the program using a directly employed workforce, 23 24 (4) that are able to demonstrate that said applicant has programs to 25 promote training and hiring pipelines for underrepresented 26 communities, and (5) that, (A) within the last five years, have had robust 27 records of compliance with the Connecticut Labor Code, Occupational Safety and Health Act, Fair Labor Standards Act, Title VII of the Civil 28 29 Rights Act of 1964 and all other applicable labor or employment laws, 30 or (B) have mitigated violations with labor compliance agreements and 31 measures in order to ensure future labor compliance. The commissioner 32 may deny applications from broadband Internet access service 33 providers that do not provide information to the Office of Policy and 34 Management pursuant to subsection (c) of section 16-330b or to the 35 Department of Energy and Environmental Protection pursuant to 36 subsection (b) of section 16-330d. The commissioner may employ 37 outside consultants in developing and implementing said grant 38 program.

(c) Any disclosure made by an applicant pertaining to the criteria in subdivisions (2) to (5), inclusive, of subsection (b) of this section shall be made available to the public on the Office of Telecommunications and Broadband's Internet web site.

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(d) The commissioner shall award the grants based on a point system. Each applicant shall be given points that range from zero to one hundred points. For grants funded by the Broadband Equity, Access and Development program, satisfaction of the criteria established in subdivisions (2) to (5), inclusive, of subsection (b) of this section and the "Fair Labor Practices" outlined in the National Telecommunications and Information Notice of Funding Opportunity published on May 13, 2022,

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- 50 together, shall be awarded at least twenty-five points. For grants not
- 51 funded by the Broadband Equity, Access and Development program,
- 52 <u>satisfaction of the criteria established in subdivisions (2) to (5), inclusive,</u>
- of subsection (b) of this section shall be awarded a substantial point
- 54 <u>allocation, constituting at least fifteen points.</u>
- (e) In awarding such grants, the commissioner shall give priority to
- 56 <u>entities and projects that can reliably meet or exceed one hundred</u>
- 57 megabits per second symmetrical speeds and further give preference to
- 58 projects that are capable of delivering gigabit symmetrical speeds. The
- 59 commissioner shall also consider the scalability of the project's
- 60 technology and infrastructure beyond such project's current maximum
- 61 speed offering for future increases in bandwidth. The commissioner
- 62 shall give preference to projects that use fiber-optic architecture and
- 63 may only award grants to projects using non-fiber technologies in
- scenarios where fiber-optic architecture would either be (1) physically
- 65 impossible, based on the geography or topography, or (2) excessively
- 66 <u>financially burdensome.</u>
- 67 (f) All projects funded by grants awarded pursuant to this section
- 68 shall be subject to the prevailing wage requirements established in
- 69 section 31-53, as amended by this act.
- 70 [(b)] (g) On or before January 1, 2023, and every year thereafter for a
- 71 period of five years after receiving a grant pursuant to this section, the
- 72 recipient of such grant shall submit a report to the Commissioner of
- 73 Energy and Environmental Protection concerning the status of such
- 74 recipient's broadband Internet access service deployment and other
- 75 information deemed relevant by the commissioner.
- 76 [(c)] (h) On or before December 1, 2022, and every two years
- 77 thereafter, the Department of Energy and Environmental Protection, in
- 78 consultation with the Office of Policy and Management, the Office of
- 79 State Broadband, the Commission for Educational Technology and
- 80 other state agencies deemed appropriate by the Commissioner of
- 81 Energy and Environmental Protection, shall report to the Governor

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- 82 concerning (1) the grants awarded pursuant to this section, (2) the status 83 and progress made toward a state-wide goal of attaining universal 84 access to (A) broadband Internet download speeds of one gigabit per 85 second; and (B) broadband Internet upload speeds of one hundred 86 megabits per second, and (3) broadband Internet access service 87 adoption rates, the price and nonprice barriers to broadband adoption 88 and digital equity. Such report shall include recommendations to 89 overcome any such barriers, including, but not limited to, addressing 90 issues of digital literacy and affordability.
- Sec. 2. (NEW) (*Effective July 1, 2023*) (a) Applicants for a grant under section 16-330c of the general statutes, as amended by this act, shall provide the Commissioner of Energy and Environmental Protection the following information with such applicant's application:
- 95 (1) Whether the workforce is directly employed by the contractor or 96 whether the proposed work will be performed by a subcontracted 97 workforce;
- 98 (2) The subcontractors with whom the contractor plans to subcontract 99 with, if any, in carrying out the proposed work;
- 100 (3) For each job title required to carry out the proposed work, a description of:
- 102 (A) The wages, benefits and applicable wage scales, including overtime rates, and a description of how such wages are calculated;
- 104 (B) Any training programs provided by the applicant, including 105 whether the training program is tied to titles, uniform wage scales and 106 skill codes recognized in the industry;
- 107 (C) Any safety training, certification or licensure requirements, 108 including whether such participant requires its employees to complete 109 occupational safety and health training or any other training required 110 by law; and
- 111 (D) The entity employing the workforce in each job title.

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(b) If an applicant is awarded a grant under section 16-330c, as amended by this act, such applicant shall submit a monthly report to the commissioner with the information provided in subsection (a) of this section. The provisions of this section shall apply to any applicant that is a public agency.

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- (c) Any person or entity that fails to meet the requirements of this section or provides false information on their application or the monthly report in subsection (b) of this section may be deemed ineligible for future participation in grant programs through the Office of Telecommunications and Broadband.
- Sec. 3. Subsections (a) to (e), inclusive, of section 31-53 of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1*, 2023):
 - (a) Each contract for the construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair of any public works project by the state or any of its agents, or by any political subdivision of the state or any of its agents, or any broadband installation project funded by a grant pursuant to section 16-330c, as amended by this act, shall contain the following provision: "The wages paid on an hourly basis to any person performing the work of any mechanic, laborer or worker on the work herein contracted to be done and the amount of payment or contribution paid or payable on behalf of each such person to any employee welfare fund, as defined in subsection (i) of this section, shall be at a rate equal to the rate customary or prevailing for the same work in the same trade or occupation in the town in which such public works project or broadband installation project is being constructed. Any contractor who is not obligated by agreement to make payment or contribution on behalf of such persons to any such employee welfare fund shall pay to each mechanic, laborer or worker as part of such person's wages the amount of payment or contribution for such person's classification on each pay day.
 - (b) If the commissioner, upon inspection or investigation of a

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complaint, believes that a contractor or subcontractor has knowingly or wilfully employed any mechanic, laborer or worker in the construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair of any public works project for or on behalf of the state or any of its agents, or any political subdivision of the state or any of its agents, or employs any mechanic, laborer or worker in a broadband installation project funded by a grant pursuant to section 16-330c, as amended by this act, at a rate of wage on an hourly basis that is less than the rate customary or prevailing for the same work in the same trade or occupation in the town in which such public works project or broadband installation project is being constructed, remodeled, refinished, refurbished, rehabilitated, altered or repaired, or who has failed to pay the amount of payment or contributions paid or payable on behalf of each such person to any employee welfare fund, or in lieu thereof to the person, as provided by subsection (a) of this section, such contractor or subcontractor shall be issued a citation and may be fined five thousand dollars for each offense. The commissioner shall maintain a list of any contractor or subcontractor that, during the three preceding calendar years, violates this section or enters into a settlement with the commissioner to resolve any claim brought by the commissioner pursuant to this section. For each contractor or subcontractor placed on such list, the commissioner shall record the following information: (1) The nature of the violation; (2) the total amount of wages and fringe benefits making up the violation or agreed upon in any settlement with the commissioner; and (3) the total amount of civil penalties and fines agreed upon by the commissioner. The commissioner shall review the list on the first day of May each year for the preceding rolling three-year period and may refer for debarment any contractor or subcontractor that committed a violation of this section during the rolling three-year period. The commissioner shall refer for debarment any contractor or subcontractor that entered into one or more settlement agreements with the commissioner where the sum total of all settlements within such period exceeds fifty thousand dollars in back wages or fringe benefits, or entered into one or more settlement agreements with the commissioner where the sum total of all settlements within such period

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exceeds fifty thousand dollars in civil penalties or fines agreed upon by the commissioner. Any contractor or subcontractor the commissioner refers for debarment may request a hearing before the commissioner. Such hearing shall be conducted in accordance with the provisions of chapter 54. In addition, if it is found by the contracting officer representing the state or political subdivision of the state that any mechanic, laborer or worker employed by the contractor or any subcontractor directly on the site for the work covered by the contract has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid as required by this section, the state or contracting political subdivision of the state may (A) by written or electronic notice to the contractor, terminate such contractor's right to proceed with the work or such part of the work as to which there has been a failure to pay said required wages and to prosecute the work to completion by contract or otherwise, and the contractor and the contractor's sureties shall be liable to the state or the contracting political subdivision for any excess costs occasioned the state or the contracting political subdivision thereby, or (B) withhold payment of money to the contractor or subcontractor. The contracting department of the state or the political subdivision of the state shall, not later than two days after taking such action, notify the Labor Commissioner, in writing or electronically, of the name of the contractor or subcontractor, the project involved, the location of the work, the violations involved, the date the contract was terminated, and steps taken to collect the required wages.

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- (c) The Labor Commissioner may make complaint to the proper prosecuting authorities for the violation of any provision of subsection (b) of this section.
- (d) For the purpose of predetermining the prevailing rate of wage on an hourly basis and the amount of payment, contributions and member benefits paid or payable on behalf of each person to any employee welfare fund, as defined in subsection (i) of this section, in each town where such contract is to be performed, the Labor Commissioner shall adopt the rate of wages on an hourly basis in accordance with the provisions of this section and section 31-76c and the amount of payment,

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contributions and member benefits, including health, pension, annuity and apprenticeship funds, as recognized by the United States Department of Labor and the Labor Commissioner paid or payable on behalf of each person to any employee welfare fund, as defined in subsection (i) of this section, as established in the collective bargaining agreements or understandings between employers or employer associations and bona fide labor organizations for the same work in the same trade or occupation in the town in which the applicable building, heavy or highway works project is being constructed. For each trade or occupation for which more than one collective bargaining agreement is in effect for the town in which such project is being constructed, the collective bargaining agreement of historical jurisdiction shall prevail. For residential project rates and for each trade or occupation for which there is no collective bargaining agreement in effect for the town in which the building, heavy or highway works project is being constructed, the Labor Commissioner shall adopt and use such appropriate and applicable prevailing wage rate determinations as have been made by the Secretary of Labor of the United States under the provisions of the Davis-Bacon Act, as amended.

(e) The Labor Commissioner shall determine the prevailing rate of wages on an hourly basis and the amount of payment or contributions paid or payable on behalf of such person to any employee welfare fund, as defined in subsection (i) of this section, in each locality where any such public work is to be constructed, and the agent empowered to let such contract shall contact the Labor Commissioner, at least ten but not more than twenty days prior to the date such contracts will be advertised for bid, to ascertain the proper rate of wages and amount of employee welfare fund payments or contributions and shall include such rate of wage on an hourly basis and the amount of payment or contributions paid or payable on behalf of each person to any employee welfare fund, as defined in subsection (i) of this section, or in lieu thereof the amount to be paid directly to each person for such payment or contributions as provided in subsection (a) of this section for all classifications of labor in the proposal for the contract. The rate of wage

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on an hourly basis and the amount of payment or contributions to any employee welfare fund, as defined in subsection (i) of this section, or cash in lieu thereof, as provided in subsection (a) of this section, shall, at all times, be considered as the minimum rate for the classification for which it was established. Prior to the award of any contract, purchase order, bid package or other designation subject to the provisions of this section, such agent shall certify to the Labor Commissioner, either in writing or electronically, the total dollar amount of work to be done in connection with such public works project or broadband installation project, regardless of whether such project consists of one or more contracts. Upon the award of any contract subject to the provisions of this section, the contractor to whom such contract is awarded shall certify, under oath, to the Labor Commissioner the pay scale to be used by such contractor and any of the contractor's subcontractors for work to be performed under such contract.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2023	16-330c
Sec. 2	July 1, 2023	New section
Sec. 3	July 1, 2023	31-53(a) to (e)

Statement of Purpose:

To implement oversight, accountability and labor standards for the state's expenditure of broadband funds received pursuant to federal funds.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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